

Edwards,Michelle

From: Rick Shagley [rshagley@wslfirm.com]
Sent: Wednesday, July 13, 2016 2:43 PM
To: Edwards,Michelle
Cc: Azar, George; DeBaun,Curtis; Morris,Don; Auler,Amy; Elliott,Earl; Nasser,Karrum;
Nation,Todd; Garrison,Neil; Crossen,Martha
Subject: SONY DADC Tax Abatement Compliance
Attachments: Sony_001.pdf

Please find the attached document.

Thank you,

--

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PURSUANT TO THE FAIR DEBT COLLECTION PRACTICES ACT, YOU ARE ADVISED THAT THIS LAW FIRM IS A DEBT COLLECTOR AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE IN ATTEMPTING TO COLLECT A DEBT.



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July 13, 2016

-via email: Michelle.Edwards@TerreHaute.IN.Gov

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Common Council of the City of Terre Haute
c/o Michelle Edwards, Chief Deputy City Clerk
17 Harding Ave.
Room 102 City Hall
Terre Haute, IN 47802

RE: SONY DADC Tax Abatement Compliance

To the Members of the City Council:

SONY DADC has received notice of the review of its Tax Abatement Compliance filings and that the City Council will make a determination as to whether SONY has not substantially complied with the Statement of Benefits, and that the failure to substantially comply was not caused by factors beyond the control of SONY (such as declines in demand for property owner's products and services), in accordance with Indiana Code 6-1.1-12.1-5.9.

Last year at this time, SONY DADC gave a comprehensive report in regard to the status of its products and production. SONY DADC has updated this information as follows:

1. SONY has invested nearly \$0.5 Billion in real and personal property in Terre Haute, Indiana, including a new product line for the Ultra HD Blu-ray for 4K televisions. SONY DADC is the only producer of 100 GB Triple Layer version in the North American market. SONY has invested over \$3 Million in this product line and has not requested a Tax Abatement.
2. SONY DADC has paid its employees \$750 Million, which exceeds the Tax Abatement Commitments by \$150 Million.
3. SONY DADC has also exceeded the Abatement Employee Count Commitments by more than 2,000 jobs. Currently, it is projected that the full time positions at SONY will be 960 full time positions and 250 temporary positions, and is currently in the hiring process.
4. As you are aware, SONY DADC has consolidated its production lines at the plant in Terre Haute, Indiana, but continues to face strong competition

in the marketplace due to seasonal markets, the weak economy, evolving technologies, competition from other platform options, and other circumstances beyond its control.

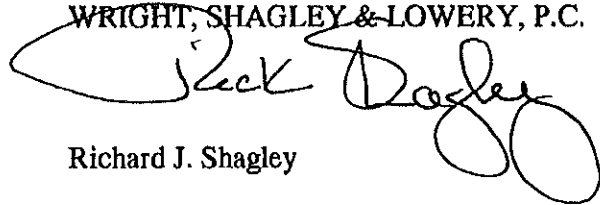
Under the circumstances, it would appear; therefore, that SONY DADC has substantially complied with the Statement of Benefit Forms. However, if the City Council would find otherwise, that the failure to substantially comply was caused by factors beyond the control of SONY, as provided by Indiana Code.

SONY DADC appreciates the City Council's support of its production facilities in Terre Haute, Indiana, which allows SONY DADC to make exceptional products that are technologically advanced and meet the continuing and evolving requirements of the marketplace.

If you have any questions in regard to the same, please do not hesitate to contact me.

Sincerely,

WRIGHT, SHAGLEY & LOWERY, P.C.

A handwritten signature in black ink, appearing to read "Rick Shagley", is written over the printed name and firm name.

Richard J. Shagley

RJS/ja

CC: Mike Mitchell, SONY DADC